

IN THE SENATE

SENATE BILL NO. 1008

BY TRANSPORTATION COMMITTEE

AN ACT

RELATING TO THE ISSUANCE OF SALVAGE CERTIFICATES OF TITLE; AMENDING SECTION 49-524, IDAHO CODE, TO REMOVE THE REQUIREMENT TO ISSUE SALVAGE CERTIFICATES FROM INSURANCE COMPANIES AND SALVAGE POOLS, TO PROVIDE FOR THE SUBMISSION OF APPLICATIONS FOR SALVAGE CERTIFICATES BY INSURANCE COMPANIES AND SALVAGE POOLS, TO PROVIDE FOR THE ISSUANCE OF SALVAGE CERTIFICATES BY THE DEPARTMENT, TO PROVIDE FOR THE NOTATION "THEFT RECOVERY" TO APPEAR ON CERTIFICATES OF TITLE IN ADDITION TO THE TITLE RECORD WHEN AN INSURER HAS ACQUIRED A VEHICLE IN A SETTLEMENT OF A THEFT CLAIM AND, UPON RECOVERY, THE VEHICLE IS NOT A SALVAGE VEHICLE AND TO MAKE TECHNICAL CORRECTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 49-524, Idaho Code, be, and the same is hereby amended to read as follows:

49-524. SALVAGE CERTIFICATE OF ~~OWNERSHIP~~ TITLE OR ELECTRONIC FILE TO REPLACE CERTIFICATE OF TITLE OR CERTIFICATE OF ORIGIN ON VEHICLES. (1) Every person acquiring a vehicle ~~which that~~ that has been determined to be a salvage vehicle, shall obtain a salvage certificate of ~~ownership~~ title on that vehicle.

(2) The salvage certificate of title shall replace the manufacturer's certificate of origin, manufacturer's statement of origin, certificate of title or other comparable ownership document and shall indicate ownership only; it shall not be valid for registration purposes.

(3) A salvage certificate of ~~ownership~~ title shall be issued by the department or under the direction of the department and shall be on a form or electronic file as prescribed by the department. The form ~~or electronic file~~ shall provide for assignments of the salvage certificate of title.

(4) The fee for a salvage certificate of title or electronic filing of a salvage certificate of title shall be ~~fifteen dollars (\$15.00)~~ in accordance with the provisions of section 49-202(2)(b), Idaho Code. The fee shall be deposited in the state highway account.

(5) Every insurer making payment for a vehicle ~~which that~~ that has been determined to be a salvage vehicle, shall, within thirty (30) days from receipt of the properly released manufacturer's certificate of origin, manufacturer's statement of origin, ~~or~~ certificate of title, or other comparable ownership document, ~~issue a salvage certificate to the purchaser and surrender such document to the department, the ownership documents, a copy of the~~ along with an application for salvage certificate of title, the salvage certificate of title fee and other documents as required by the department for processing. The department shall ~~mark its records appropriately~~ issue a salvage certificate of title to the applicant if all requirements have been satisfied.

(6) If a salvage pool receives a manufacturer's certificate of origin, manufacturer's statement of origin, certificate of title or other comparable ownership document for a vehicle ~~which~~ that has been determined to be a salvage vehicle, ~~he~~ the salvage pool shall, within thirty (30) days and upon receipt of the properly released ~~certificate of origin or certificate of title,~~ issue a salvage certificate to the purchaser and ownership document, surrender such document to the department, ~~the ownership documents, a copy of the~~ along with an application for salvage certificate of title, the salvage certificate of title fee and other documents as required by the department for processing. The department shall ~~mark its records appropriately~~ issue a salvage certificate of title to the applicant if all requirements have been satisfied.

(7) If an insurer has made payment for a salvage vehicle, ~~and the insurer or a salvage pool,~~ is unable to obtain a properly released manufacturer's certificate of origin, manufacturer's statement of origin, ~~or~~ certificate of title or other comparable ownership document for the salvage vehicle within thirty (30) days after the acceptance by the owner of an amount in settlement of a total loss, then the insurer or salvage pool may ~~issue a salvage certificate with agreement from the insurer to the purchaser~~ submit an application for salvage certificate of title to the department without having first obtained ~~the properly released certificate of origin or certificate of title~~ one (1) of the aforementioned ownership documents. ~~Within ten (10) days of the issuance of a salvage certificate to the purchaser~~ In place of one (1) of the aforementioned ownership documents, the insurer or the salvage pool shall submit to the department the following: a sworn statement that it made at least two (2) written attempts to obtain from the owner the properly released manufacturer's certificate of origin, manufacturer's statement of origin, ~~or~~ certificate of title, or other comparable ownership document by sending notice to the owner at the owner's address of record with the department, ~~together with~~ a copy of each such written attempt. Additionally, the insurer or salvage pool shall include proper evidence of the satisfaction or discharge of any lien or encumbrance properly noted upon the certificate of title or upon the electronic records of the department, ~~a copy of the,~~ an application for salvage certificate of title, the salvage certificate of title fee, ~~indemnifying affidavit,~~ and other documents as required by the department for processing. The department shall ~~mark its records appropriately~~ issue a salvage certificate of title if all requirements have been satisfied.

(8) It is a misdemeanor, punishable by up to six (6) months in jail, a fine of one thousand dollars (\$1,000) or both, if the owner of a retained salvage vehicle fails to surrender the title and be issued a salvage certificate of title, or to sell the vehicle and not tell the buyer that the vehicle is totaled.

(9) If an insurer has allowed the owner to retain ownership of the salvage vehicle, the owner must surrender the certificate of title for such vehicle to the department ~~or the insurance company~~ not later than thirty (30) days from the date that the claim was satisfied. The insurer must notify the department of a total loss payoff within thirty (30) days. The ~~insurer or~~ department shall issue a salvage certificate of title to the owner prior to any sale or disposition of the salvage vehicle.

1 (10) If an insurer acquires the manufacturer's certificate of origin,
2 manufacturer's statement of origin, certificate of title of a vehicle or
3 other comparable ownership document for a vehicle in a settlement of a theft
4 claim, the insurer shall immediately, upon receipt of the properly released
5 ~~certificate of origin or certificate of title~~ ownership document, issue a
6 ~~salvage certificate in the name of the insurer and surrender such document to~~
7 ~~the department, the ownership documents, a copy of the~~ along with an applica-
8 tion for salvage certificate of title in the name of the insurer, the salvage
9 certificate of title fee and other documents as required by the department
10 for processing.

11 (11) If an insurer has acquired a vehicle in a settlement of a theft
12 claim, has made application to and has been issued a new salvage certificate
13 of title in the name of the insurer and the vehicle is subsequently recovered
14 and is not a salvage vehicle, the insurer may complete an affidavit indemni-
15 fying the department stating the facts of acquisition and disposition of the
16 vehicle in a form prescribed by the department and deliver the salvage cer-
17 tificate of ownership, affidavit and any other documents required by the de-
18 partment to the transferee at the time of delivery of the vehicle. A notation
19 of "theft recovery" shall be made on the title certificate and title record.

20 (12) Any person acquiring ownership of a salvage vehicle purchased in
21 a state or jurisdiction ~~which~~ that does not require surrender of the cer-
22 tificate of title or comparable ownership document shall, within thirty (30)
23 days following delivery of the certificate of title or ownership document,
24 surrender such title or document to the department and apply for a salvage
25 certificate of title.

26 (13) An owner of a salvage vehicle who sells or transfers said vehicle
27 shall provide a properly executed assignment of the salvage certificate of
28 ownership to the transferee.

29 (14) A purchaser of a salvage vehicle shall not possess or retain a sal-
30 vage vehicle without a salvage certificate of title. The salvage vehicle
31 purchaser shall display the salvage certificate of title upon the request of
32 any peace officer or agent of the department.